



SURFACE TRANSPORTATION BOARD

[Docket No. FD 36472; Docket No. FD 36472 (Sub-No. 1); Docket No. FD 36472 (Sub-No. 2); Docket No. FD 36472 (Sub-No. 3); Docket No. FD 36472 (Sub-No. 4); Docket No. FD 36472 (Sub-No. 5); Docket No. AB 1312X]

CSX Corporation and CSX Transportation, Inc., et al.—Control and Merger—Pan Am Systems, Inc., Pan Am Railways, Inc., Boston and Maine Corporation, Maine Central Railroad Company, Northern Railroad, Pan Am Southern LLC, Portland Terminal Company, Springfield Terminal Railway Company, Stony Brook Railroad Company, and Vermont & Massachusetts Railroad Company; Norfolk Southern Railway—Trackage Rights Exemption—CSX Transportation, Inc.; Norfolk Southern Railway—Trackage Rights Exemption—Providence & Worcester Railroad; Norfolk Southern Railway—Trackage Rights Exemption—Boston & Maine Corp.; Norfolk Southern Railway—Trackage Rights Exemption—Pan Am Southern LLC; Pittsburg & Shawmut Railroad—Operation Exemption—Pan Am Southern LLC; SMS Rail Lines of New York, LLC—Discontinuance Exemption—in Albany County, N.Y.

AGENCY: Surface Transportation Board.

ACTION: Decision No. 3 in STB Finance Docket No. 36472 et al.; notice of rejection of application.

SUMMARY: The Board rejects as incomplete an application seeking approval for CSX Corporation (CSXC), CSX Transportation, Inc. (CSXT), and 747 Merger Sub 2, Inc., to acquire control of seven rail carriers owned by Pan Am Systems, Inc. (Systems), and Pan Am Railways, Inc. (PAR), and to merge six of those railroads into CSXT. The Board finds that the application fails to include the information needed to satisfy the Market

Analysis requirement for a “significant” transaction application under our regulations.

However, the applicants are permitted to file a revised application.

DATES: The effective date of the Board’s decision is May 26, 2021. Applicants may file a revised application at any time after issuance of the Board’s decision, but no later than August 26, 2021. Applicants are directed to file a letter in this docket by June 7, 2021, indicating if and when they anticipate filing a revised application.

ADDRESSES: Any filing submitted in these proceedings should be filed with the Board via e-filing on the Board’s website. In addition, one copy of each filing must be sent (and may be sent by e-mail only if service by e-mail is acceptable to the recipient) to each of the following: (1) Secretary of Transportation, 1200 New Jersey Avenue, S.E., Washington, DC 20590; (2) Attorney General of the United States, c/o Assistant Attorney General, Antitrust Division, Room 3109, Department of Justice, Washington, DC 20530; (3) CSX’s¹ and 747 Merger Sub 2’s representative, Anthony J. LaRocca, Steptoe & Johnson LLP, 1330 Connecticut Ave., N.W., Washington, DC 20036; (4) Systems’,² PAR’s, and PAR Railroads’ representative, Robert B. Culliford, Pan Am Systems, Inc., 1700 Iron Horse Park, North Billerica, MA 01862; and (5) any other person designated as a Party of Record on the service list.

FOR FURTHER INFORMATION CONTACT: Amy Ziehm at (202) 245-0391.

Assistance for the hearing impaired is available through the Federal Relay Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION:

¹ CSXT is a wholly owned subsidiary of CSXC. CSXC and CSXT are referred to collectively as CSX.

² Systems directly and wholly owns PAR, which in turn directly and wholly owns four rail carriers: Boston & Maine, Maine Central, Portland Terminal, and Springfield Terminal. Boston & Maine directly and wholly owns Northern and Stony Brook, as well as a 98% interest in V&M. These seven rail carriers will be referred to collectively as the PAR Railroads.

On April 26, 2021, CSX Corporation CSXC, CSXT, 747 Merger Sub 2, Inc. (747 Merger Sub 2), Systems, PAR, Boston and Maine Corporation (Boston & Maine), Maine Central Railroad Company (Maine Central), Northern Railroad (Northern), Portland Terminal Company (Portland Terminal), Springfield Terminal Railway Company (Springfield Terminal), Stony Brook Railroad Company (Stony Brook), and Vermont & Massachusetts Railroad Company (V&M) (collectively, Applicants) filed an application (Application) for Board approval for: (1) CSXC, CSXT, and 747 Merger Sub 2 to control the seven PAR Railroads controlled by Systems and PAR, and (2) CSXT to merge six of the seven railroads into CSXT. This proposal is referred to as the Merger Transaction. In addition to the Application for the proposed Merger Transaction, there are several related filings for transactions related to the Merger Transaction: four notices of exemption for Norfolk Southern Railway Company to acquire trackage rights over existing lines owned by four separate railroads; a petition for exemption to allow Pittsburg & Shawmut Railroad, LLC d/b/a Berkshire & Eastern Railroad, to replace Springfield Terminal as the operator of Pan Am Southern LLC; and a notice of exemption to allow SMS Rail Lines of New York, LLC to discontinue service on and terminate its lease of a rail line known as the Voorheesville Running Track.

The Board finds that the Application fails to include the information needed to satisfy the Market Analysis requirement for a “significant” transaction application under 49 CFR 1180.7. Accordingly, the Board is rejecting the Application as incomplete. However, Applicants are permitted to file a revised application to remedy the deficiencies identified in the Board’s decision.

Additional information is contained in the Board’s decision served on May 26, 2021, which is available at www.stb.gov.

Decided: May 26, 2021.

By the Board, Board Members Begeman, Fuchs, Oberman, Primus, and Schultz.

Regena Smith-Bernard,

Clearance Clerk.

[FR Doc. 2021-11507 Filed: 6/1/2021 8:45 am; Publication Date: 6/2/2021]